FUTURE PLANS

See "Business—Our Growth Strategies" for a detailed description of our future plans.

USE OF [REDACTED]

We estimate that the net **[REDACTED]** of the **[REDACTED]**, after deducting the estimated **[REDACTED]** and other fees and expenses payable by us in connection with the **[REDACTED]**, will be approximately HK$**[REDACTED]** million, assuming the maximum **[REDACTED]** at HK$**[REDACTED]** per **[REDACTED]**, without the exercise of the **[REDACTED]**. In line with our strategies, we intend to use the net **[REDACTED]** from the **[REDACTED]** for the following purposes and in the amounts as set out below, subject to changes in light of our evolving business needs and changing market conditions:

- approximately **[REDACTED]**% of the net **[REDACTED]**, or HK$**[REDACTED]** million, will be used to strengthen our brand positioning and expand our sales network. Specifically, we intend to apply:

  (1) approximately **[REDACTED]**% of the net **[REDACTED]**, or HK$**[REDACTED]** million, for brand development. In particular, we plan to (i) further promote our brand recognition through celebrity endorsements, brand collaborations and cultural and sports sponsorships; and (ii) enhance our brand placement and promotion in targeted cities, including advertising placements across all our sales channels online and offline; and

  (2) approximately **[REDACTED]**% of the net **[REDACTED]**, or HK$**[REDACTED]** million, to expand our sales network to reach a larger consumer base. Specifically, we plan to (i) strengthen our sales network in key first-tier cities, by increasing channel coverage, securing in-store display resources and enhancing our sales execution capabilities; (ii) deepen our penetration in core regional markets including optimizing channel operations, improving retail terminal management and expanding coverage of retail stores; and (iii) reinforce our online channels and DTC network, including strengthening our presence on major e-commerce platforms, expanding our online sales initiatives, and increasing our participation in emerging retail formats.

- approximately **[REDACTED]**% of the net **[REDACTED]**, or HK$**[REDACTED]** million, will be used to enhance our product innovation and our biotechnology and digital capabilities. Specifically, we intend to apply:

  (1) approximately **[REDACTED]**% of the net **[REDACTED]**, or HK$**[REDACTED]** million, to enhance our product innovation capabilities and biotechnology development, including (i) supporting the process of R&D of new products, such as pilot-scale testing of new products, production trials, consumer research and sensory evaluation, and development of proprietary intellectual properties; and (ii) strengthen biotechnology R&D, such as dairy nutrition and health, the development of lactic acid bacteria resources and dairy fermentation, and green and low-carbon dairy manufacturing and quality control; and

  (2) approximately **[REDACTED]**% of the net **[REDACTED]**, or HK$**[REDACTED]** million, to enhance our digital capabilities. Specifically, we plan to (i) strengthen our marketing capabilities through data-driven channel operations; (ii) upgrade our supply chain by digitalizing procurement, raw milk supply traceability and production; (iii) improve our operation efficiency by upgrading our enterprise resource planning and digitalizing administrative operations; (iv) leverage artificial intelligence to enable intelligent business applications, upgrade core systems, and enhance our data governance framework; and (v) reinforce our IT infrastructure and information security by developing a cloud-based environment to ensure system stability, scalability and compliance with our internal control measures.

- approximately **[REDACTED]**% of the net **[REDACTED]**, or HK$**[REDACTED]** million, will be used to upgrade and expand our supply chain infrastructures. Specifically, we intend to apply:

  (1) approximately **[REDACTED]**% of the net **[REDACTED]**, or HK$**[REDACTED]** million, to expand our production capacity and upgrade our production equipment, including expanding pre-processing capacity, upgrading our product sterilization process, purchasing additional filling lines, and high-speed automated aseptic plastic bottle lines, improving wastewater treatment facilities and energy-saving technologies, and expanding our production and warehouse facilities; and

  (2) approximately **[REDACTED]**% of the net **[REDACTED]**, or HK$**[REDACTED]**, to refurbish and expand the production capacity of our self-owned dairy farms, including refurbishing dairy farms, upgrading related equipment and expanding the production capacity at our self-owned dairy farms including certain barns and feed areas, and devoting additional resources to our dairy herd.

- approximately **[REDACTED]**% of the net **[REDACTED]**, or HK$**[REDACTED]**, will be used for working capital and other general corporate purposes.

Any additional **[REDACTED]** received from the exercise of the **[REDACTED]** will also be allocated to the above purposes on a pro rata basis. In the event that the **[REDACTED]** is exercised in full, we will receive net **[REDACTED]** of HK$**[REDACTED]** million (after deducting the estimated **[REDACTED]** commissions and other fees and expenses payable by us in connection with the **[REDACTED]** and assuming the maximum **[REDACTED]** at HK$**[REDACTED]** per Share).

To the extent that the net **[REDACTED]** are not immediately applied to the above purposes, we will only deposit the net **[REDACTED]** into interest-bearing account at licensed commercial banks and/or other authorized financial institutions as defined under the Securities and Futures Ordinance or the applicable laws and regulations in other jurisdictions, so long as it is deemed to be in the best interests of our Company.